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ABSTRACT

National priorities exist that can be served through federal legislation for the funding of vocational education. Four alternatives that are examples of national needs that vocational education would appear to have a potential to address are (1) training and retraining of workers in national critical skill shortage occupations, (2) training and retraining of individuals in high technology areas, (3) training and retraining of displaced workers, and (4) improving employability of hard-to-employ youth in the inner cities and depressed rural areas. (The discussion of each area includes background information, implications, and federal and additional considerations.) Three alternative funding strategies could be used for directing federal vocational education dollars through state agencies towards national priorities; block grant, set-asides, and national incentives. Two additional funding strategies that represent a more significant departure from historic precedents are direct funding and directing a greater federal emphasis towards program improvement. (YLB)

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NATIONAL PRIORITIES FOR VOCATIONAL EDUCATION

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FOREWORD

During the months ahead Congress will be examining the legislation governing vocational education. This paper is intended to inform those who will be involved in that process of alternative objectives which could be considered as national priorities for vocational education. It is the first in a series of policy information papers which will be developed by the National Center for Research in Vocational Education during the coming months.

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Robert E. Taylor
Executive Director
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EXECUTIVE SUMMARY

For most of this century, federal legislation has been a significant force in shaping vocational education in this country. In the coming months, the Congress will be re-addressing the nature of the federal role in vocational education. The purpose of this paper is to expand the information base which is available to those who will be involved in that process. The focus of the paper is an examination of alternative national needs which could be designated as federal priorities for vocational education. As a part of that examination, alternative funding strategies are discussed.

Historically, the concerns to which federal legislation has been directed have reflected assessments of the major national needs that prevailed at the time the legislation was passed. Presently, many of these needs center around the productive capacity of the American economy. Reflecting this current focus, two of the national priority alternatives examined in this paper relate to critical skills; the third involves the retraining of displaced workers; and the fourth discusses how vocational education could serve hard-to-employ youth in inner cities and depressed rural areas.

The last section of the paper discusses alternative funding strategies which could be employed for directing federal resources towards designated national priorities; block grants, set-asides and the notion of employing a national incentive approach are examined. In addition, strategies which involve direct funding and the idea of focusing a greater federal emphasis on program improvement are discussed.

The examination of national priorities revealed that the most important consideration for increasing the capacity of the vocational education enterprise relates to improving collaboration with business and industry. The national priorities discussed in this paper will require vocational education to develop programs responsive to specific industries; they will also require the vocational education community to work closely with specific firms in delivering those programs.

INTRODUCTION

In the coming year the Congress will be examining the existing legislation governing vocational education with the intention of continuing, redirecting, or terminating the present role of the federal government in vocational education. The purpose of this paper is to provide additional information concerning national needs to those who will be involved in this legislative process. The intent of the paper is not to examine whether there should be a federal role in vocational education, a debate that is not best conducted in the abstract. Instead the paper examines four areas of current national concern and discusses some of the implications and considerations related to the designation of those areas as federal priorities for vocational education. In addition, it discusses alternative strategies for funding those priorities.

Background

Historically, the federal role in vocational education has been to encourage and support state and local efforts to prepare people for employment. The original purpose was to make vocational education a part of public education at the secondary level. Subsequent legislation, prior to 1963, increased the number of occupational areas in vocational education that could receive federal support. The 1963 Vocational Education Act expanded the federal effort and attempted to increase the capacity of vocational education to serve individuals. The 1968 and 1976 Amendments furthered the use of federal vocational education dollars for support of programs designated to serve special high-need population groups such as the disadvantaged and handicapped, to overcome sex-role stereotyping of occupations, and to assist economically depressed areas.

The concerns to which federal legislation has been directed have reflected assessments of major national needs that prevailed at the time the legislation was passed. The coalition that led to the 1917 Smith-Hughes legislation included employers who wanted a better prepared work force and educators who wanted a more meaningful curriculum for a wider range of students. The 1963 act was, in part, a response to the anticipated affect of a decreasing number of low-skill jobs due to automation, coupled with the impact of the baby boom. The 1968 and 1976 Amendments reflected the national concern for providing assistance to high-need population groups.

The existence of such pervasive national needs relative to preparing people for work has provided the historic rationale for federal support of vocational education. This rationale has been

based on the assumption that such needs are difficult for state and local educational agencies to address adequately without federal support.

At present there are those who believe that a federal role in vocational education is no longer needed. They cite the ratio of state and local funds to federal funds, which in the 1979 fiscal year was approximately eleven to one, as evidence that the original purpose of federal legislation has been accomplished. In fact, some have argued vocational education is so well established and funded at the state and local level, that the federal government cannot truly influence the system. There are others, however, who believe that a federal role is still necessary to improve the quality of programs and to direct resources to national priorities that otherwise would receive less than adequate attention.

Four Possible Priorities

This paper is based on the assumption that national priorities do exist which can be served through federal legislation for the funding of vocational education. At the present time many of these priorities are based on increasing the productive capacity of the American economy. The Reagan administration has adopted policies that are designed to increase investment and enhance productivity. Coupled with these general economic policies will be an increase in defense spending at a rate not seen in this country since World War II. Can the economy respond satisfactorily to these demands or will unacceptable inflationary conditions and production restrictions develop which will require some national response relative to the labor pool in critical skill areas. Reflecting these current concerns, two of the alternatives examined in this paper concern critical skill needs, a third involves the retraining of displaced workers, and the fourth discusses how vocational education can serve hard-to-employ youth in inner cities and depressed rural areas.

These four alternatives are not suggested as an exhaustive set of the possible priorities that should be designated in the federal legislation, but are presented rather as examples of national needs that vocational education would appear to have a potential to address. Futhermore, as a collective set of priorities they represent both the equity and efficiency role of the federal government in vocational education.

An examination of the issues related to directing federal resources toward each priority is presented in the next section of this paper. For example, the first two priorities relate to skill needs that have potential impact on the productive capacity of the economy. Do these skill needs constitute national concerns? Some

argue that the normal processes of the labor market will correct any skill shortages faster and more precisely than any federal program can. Advocates of an active federal role concede that eventually labor market adjustments do take place, but ask at what cost and how quickly? How much inflationary pressure, they inquire, is produced by the bidding for scarce skills, how much production is lost due to the unavailability of workers possessing critical skills, and how quickly can people learn the necessary skills? These considerations, they claim, argue for the advisability of an anticipatory role for the federal government. But can and should the federal government play this anticipatory role? The purpose of the next section is to examine the considerations and implications of a federal role in each of the four priorities.

The last section of the paper discusses three alternative funding strategies that could be used for directing federal vocational education dollars towards national priorities. These strategies represent modifications or combinations of approaches which have historically been included in federal vocational legislation. In addition, two funding strategies are included which represent a more significant departure from historic precedents. The initial three strategies are:

- o block grant
- o set-asides
- o national incentives

The two additional strategies represent various approaches to direct funding and to directing a greater federal emphasis towards program improvement.

With this as background on federal objectives in past and existing legislation, four possible national priorities for new legislation are discussed.

NATIONAL PRIORITIES

National Critical Skill Shortages

One possible priority for new legislation would be to encourage the expenditure of federal vocational education resources for the training and retraining of workers in national critical skill shortage occupations.

Background

Imbalances between available jobs and persons trained in occupations related to those jobs are likely to exist in an economy where individuals are encouraged to make their own educational and career choices. Many persons will be unemployed or underemployed, and yet many jobs will go unfilled. One particularly important aspect of this problem relates to skill shortages that have a critical impact on the overall economic health of the nation. Such national critical skill shortages are caused by the convergence of significant national trends such as: increased foreign industrial competition, expanded national defense needs, and the rapid development of technological innovations.

These critical skill shortages are not defined solely in terms of absolute numbers--from a national perspective, 10,000 new openings annually in one occupation may be more critical to the economy than 25,000 openings in another. What these critical occupations lack in absolute numbers of openings, however, is balanced by the impact of a shortage in that occupation on the nation as a whole. For example, the occupation of skilled machinist could be a critical skill shortage occupation. Skilled machinists are required to produce much of the hardware used in weapons, aircraft, and other military equipment considered to be critical to national defense needs. A related occupation that could also be considered critical is that of tool and die maker. Although the absolute number of openings in these two occupations is small compared to other occupations, the impact of a shortage on the basic production capacity of the United States would be substantial. In general, factors that occupations have in common that tend to make a shortage in those occupations critical include: a long training period, the requirement for individual aptitudes and skills not widely distributed in the population, the output of a basic product or service, and the characteristic that shortages cannot be easily remedied by increases in wages.

It should be emphasized, however, that the identification of critical skill shortage occupations and the subsequent focusing of our training capacity to address those shortages are substantive

tasks. National priorities and the skilled occupations related to these priorities would have to be identified, agreed upon, and then communicated to those agencies and institutions which could best directly respond to the skill training needs. The difficulty of the identification task alone is exemplified in relation to the previously noted example of skilled machinists. Schultz's (1980) work on the shortage of skilled machinists notes the claimed existence of a significant shortage, and also sets forth good arguments suggesting that a true shortage may not in actuality exist. Considering a wide variety of occupations, the possibility of such artifical shortages could be caused by numerous forces including: industry's desire to maintain a large available labor pool, job conditions which create a pass-through occupation, or uneven geographic dispersion of workers.

Whatever the extent of the difficulties, it is evident that unless some national mechanism is established for identifying national critical skill shortage areas and for funding programs to address them, it is unlikely that the vocational education system, or any other education or training system can efficiently respond to the nation's needs.

Implications

The implications for encouraging the use of federal vocational education funds to address national critical skill shortages are numerous. A fundamental consideration is the viability of federal intervention, which may rest in part with the specific occupations identified for federal assistance. It appears that shortages would have to be critical not only in terms of the previously noted criteria such as a long training period, but also in terms of market responsiveness. The dynamics of the marketplace will tend to resolve many national skill shortages. However, the pivotal questions may be--is the response quick enough and are the associated costs acceptable? These questions are particularly germane with regard to the industrial defense base, where it may be necessary to have not only an adequate supply but an oversupply of trained workers, so that a surge capacity is established.

It is pertinent to note a specific mechanism for identifying national critical skill occupations, as defined in this context, is not in place. Broad-based interagency cooperation within the federal government, with a substantial amount of lead time to develop linkages and to identify sources of information will be required to establish such a mechanism. Moreover, it will be necessary that the system be sensitive both to artifical shortages and to the emergence of new skill shortages. The latter considerations, along with others, suggest the necessity for substantial business/industry involvement if a viable

identification system is to be established.

If the capacity of the vocational education system to address the national critical skill shortages is to be improved, two considerations appear particularly important:

Improving cooperative arrangements. Because of the characteristics of national critical skill occupations, it appears likely that substantial improvement in capacity will depend upon vocational education entering into cooperative arrangements with other training providers, business/industry and labor. In order to be effective these joint ventures will have to involve all phases of the program including the actual training. As an example of a cooperative training effort, assume that a national priority has been placed on the rapid training of more tool and die makers. In that case, it might be effective for vocational education to assume responsibility for the prerequisite training related to scientific literacy and general technical skill training, with the specific skill training being carried out via the apprenticeship system.

With regard to national skill shortages, the importance of cooperative arrangements relates to improving response accuracy and time, and to reducing associated costs. Relative to the previous example, the apprenticeship system has and will continue to provide tool and die makers but, the question remains, if shortages become critical, can the efficiency of the training be increased through new cooperative arrangements?

Improving the delivery system. Due to the nature of the training required to be responsive to addressing national critical skill shortages, the vocational education system will have to establish an increased capacity to develop training programs quickly. Programs will be required to deliver a diversity of skill training ranging from basic scientific and technical literacy to specialized technical skills. In addition to the quick response capacity, the programs will also require state-of-the-art equipment and processes. In a number of states, this state-of-the-art capacity does not exist to a pervasive degree.

Federal Considerations

The following discussion deals with the rationale for a federal role in this priority and provides additional information concerning federal involvement.

Rational. The high cost and limited demand for critical skill occupations constitute the basis for a federal interest in this area. These skills are by definition cruicial to the produc-

tive capacity of the nation. However, in any one labor market there may not be sufficient demand for a local institution to justify such a program. The high cost of these programs is another deterrent to local or state efforts. While it may not be in the self-interest of any one locality or state to offer this training, the national interest requires that critical skills be developed.

It should be noted, however, that a federal emphasis on critical skills would probably not directly serve the equity interest of the nation. Critical skill training, even with federal incentives, is likely to be offered predominantly by large, well-funded instituions serving areas with high levels of economic activity. Those who are selected for these programs are likely to be among the more able students who have good basic communication and computational skills. A critical skills emphasis would therefore be likely to direct funds to more advantaged areas and people. A federal effort would thus have to be justified based on the importance of these skills to the economy and on the judgement that without federal intervention a sufficient training capacity would not be available.

Additional consideratons. Additional considerations relative to designating national critical skill training as a national priority would include the following:

- In order to certify those occupations which would be considered national critical skill shortage areas, a federal board would need to be established. This federal certification board should be broad-based in make-up and include representation from at least the following departments: Commerce, Defense, Labor and Education. The role that the National Occupational Information Coordinating Committee (NOICC) should play in relation to this board should be addressed.

- To fund this effort effectively a pool of money reserved for this purpose should be established at the national level. A more detailed discussion of such a strategy is delineated in the funding strategies section of this paper under the heading of National Incentives.

High Tecnnology

A second possible national priority would be to encourage the expenditure of federal vocational education resources for the training and retraining of individuals in high technology areas.

Background

It is a well established proposition that the introduction of high technology innovations has played a substantial role in generating American economic growth. The importance of these high technology innovations has been related not only to their positive impact on increasing tne productivity of existing resources, but also to increasing the size of the resource base itself (Rosenberg 1976). Indeed, a basic rationale for the introduction of high technology equipment and processes has been to increase productivity.

Although the economic importance is well established, the exact nature of the impact of high technology on labor market needs is complex and not easily resolved. In order to develop a comprehensive perspective concerning high technology during the coming decade, it would appear useful to distinguish between the labor market impact of high technology on the specific industries which manufacture the computer hardware, robots, and micro-processors, and its impact on the large and small businesses and industries that directly or indirectly use these products. This distinction is useful not only for understanding the national labor market needs, but also for developing the training programs that are responsive to those needs.

From the national labor market perspective, the distinction between manufacturers and users is useful because of regional differences. Manufacturers of high technology products are not evenly dispersed across the country. The large high technology firms are concentrated in a few states, for example, Texas, California, and Massachusetts. Although the businesses and industries which are users of high technology are more evenly distributed nationally, regional differences do exist. For these reasons and others, federal efforts directed toward improving the national training capacity for high technology should be sensitive to the subnational characteristics of this labor market.

In order to assist in the development of a responsive training capacity, recognition should be extended not only to the distinction between manufacturers and users, but also to the notion that occupations of varying technical skill levels exist in both the manufacturing and user sectors. Not all jobs in high technology industries require high level technical skills. For

example, the soldering of light filaments for calculator digital displays, a job in the manufacture of a common high technology product, requires relatively routine level, assembly-related skills. On the other hand, jobs involving the maintenance or monitoring of the new generation of industrial robots may indeed require a substantial upgrading of existing workers' skills. In addition, new occupations such as the laser/ electro-optic technician have evolved which require highly specialized technical skills. The growth of high technology has appeared to cause a need for a training capacity characterized by flexibility and diversity, one which can provide a continuum of skilled workers ranging from routine level assemblers and operators to highly specialized technicians.

In addition to the previously noted considerations, effective assistance in improving the national training capacity requires estimating the order of magnitude of the labor market needs in high technology job categories. In general, a substantial need exists for training, retraining and upgrading workers in response to the growth of high technology occupations. Partly because of the increased foreign competition, this need appears particularly critical in the manufacturing sector. A recent survey completed by the Massachusetts High Technology Council (1981) indicates a high annual growth rate for both technician level occupations (average for all technician occupations was 21 percent) and for assembler/production operators (21 percent). These findings were substantiated in a national study of 610 electronics firms conducted by the American Electronics Association (1981), the results of which indicated significant job growth - the assembler/operator, technician, and engineering levels.

In both the manufacturing and user sectors vocational education institutions have the potential to address the training needs relative to high technology. However, there are, in the manufacturing sector in particular, special considerations that must be addressed in determining their most appropriate role and the most effective delivery system. Three such considerations are: (1) the need for firms to keep certain equipment and processes confidential in order to remain competitive, (2) the impossibility of duplicating the unique and extremely expensive equipment utilized by some companies in an educational setting, and (3) the difficulty of mastering the highly complex skills required for certain equipment and processes except under the supervision of experienced company personnel. It is important to note that these considerations do not negate the role of an outside training institution, but rather help to define it.

Implications

When addressing the designation of high technology as a national priority for vocational education, there are, in addition

to the previously noted background issues, several other considerations which are important.

First, it should be recognized that if shortages develop in the high-level technician occupations, those shortages will probably be critical in nature. Their criticality is based on considerations such as: (1) the long training and experience period required, (2) requirements for individual aptitudes and skills not widely distributed in the population, and (3) the basic developmental nature of the work in many of these occupations.

Second, valid labor market projections are likely to be difficult to obtain since, in the manufacturing sector, a company's projections will be influenced by the need to protect proprietary secrets and will be fundamentally difficult to estimate reliably due to the fluidity of high technology industries. Moreover, obtaining a relevant estimate of the upgrading and retraining needs in the user sector appears particularly unlikely.

Third, although a number of the large high technology manufacturing firms have the capacity to conduct their own training and indeed some have chosen that approach, others will not. It is particularly likely that firms will look for outside assistance in reference to basic training in mathematics and science and in the general technical skills required in areas such as electronics and mechanics. Moreover, in the manufacturing sector the number of small firms is increasing. In the electronics industry alone, the American Electronics Association (1981) recently estimated that as many as fifty new electronics firms are formed each month. Generally these small companies do not have a substantial capacity to conduct their own training.

In summary, it would appear that if vocational education is to be responsive to the emergence of high technology, a dual role needs to be adopted. It will need to be responsive both to the demand of industries that manufacture high technology products and equipment, and to the small and large organizations which use high technology products. In order to maximize the capacity of the vocational education system for this dual role, several considerations are important.

Provide specific training in cooperation with industry. Long- and short-term intensive, specialized programs geared to the needs of a particular industry or a specific firm need to be expanded. These programs would involve training of new workers, as well as the retraining and upgrading of established workers. For several reasons, including the availability of specialized and expensive equipment, many of these programs will have to be conducted on the job site. Because of the fluid and competitive nature of the manufacturing sector, quick-response capacity will

be required if the training effort is to be truly responsive.

In order to develop this capacity it will be critical not only to develop new types of collaborative arrangements with business and industry, but also to create close linkages with agencies involved in economic development.

Improve prerequisite training. Some of the training needed to be responsive to the emergence of high technology will be conducted by individual firms or by consortia of firms in the same industry. A number of forces will drive this tendency; however, if vocational education institutions develop appropriate linkages with these firms, they will be able to provide valuable prerequisite training. In these cases, programs will be needed that provide occupational mathematics and science as well as basic technical skills.

Upgrade existing programs. The anticipated widespread introduction of high technology equipment such as word processors will require that efforts be directed toward the general upgrading of existing vocational programs. Because of the substantial changes high technology is causing in many occupations and due to of the high cost of the equipment, vocational programs can become technologically outdated. Even if arrangements are made for on-site training, the upgrading of equipment will require substantial outlays of resources. Also, new approaches need to be introduced for the retraining of vocational instructors.

Federal Considerations

The following section discusses the rationale for a federal role in this priority and provides additional information concerning federal involvement.

Rationale. The reasons supporting a federal emphasis on high technology occupations are similar to those cited in support of critical skill training: importance to the economy, costs, and in some cases limited overall demand. The United States presently enjoys worldwide leadership in many of the high technology areas. However, because of the well-orchestrated support for industries in some foreign countries, international competition is likely to be keen during the next decade. Although the problem is certainly multifaceted, a key component in remaining competitive is the development of an adequate supply of workers with the appropriate technical skills. If the additional demands of the military sector are to be effectively met, it may be necessary not only to maintain an adequate supply of skilled workers, but perhaps an oversupply in some areas so that a surge capacity is available.

The national implications of the high cost of training, and

in some cases of a limited but critical labor market need, tend to suggest a need for federal emphasis.

Additional considerations. If high technology were to be designated a national priority, several additional considerations are noteworthy:

- The individuals who ultimately are selected for the high-level training are likely to be among the more able and advantaged in our society. An emphasis in this area would probably not directly serve the equity interest of the nation.

- The postsecondary, as opposed to the secondary, component of vocational education would probably receive the greater benefit from a federal emphasis in this area.

- Because of the vast differences in the delivery system for vocational education in each state and the varied definitions of the notion of high technology, there will be a substantial diversity of needs and associated solution strategies proposed by the individual states.

- A small amount of federal financial assistance provided to a large number of institutions would probably not have a substantial effect on improving the overall capacity of vocational education to respond to the growth in high technology. The base cost of establishing state-of-the-art programs is very high. This situation is compounded by the updating requirements which are caused by the rapid changes in the development of high technology.

Displaced Workers

A third possible national priority would be to encourage the expenditure of federal resources for the retraining and upgrading of displaced workers.

Background

Distinct, permanent changes are taking place in the U.S. economy. Since 1970, nearly a million manufacturing jobs have been lost in the steel, rubber, automotive, and other basic industries in the Northeast and Midwest. Moreover, it is likely that many of these jobs are not lost due to cyclical changes in the economy, but are instead permanently lost due to fundamental shifts in the economy. Although at the present time the workers experiencing the greatest displacement problem work in basic manufacturing industries in the Northeast and Midwest, this delimitation may not hold throughout the decade. The need for retraining and upgrading of displaced workers is likely to have an impact on other industries and other regions of the country during the next ten years due to: shifts in consumer demand patterns, foreign competition, technological changes, and the relocation of labor intensive firms.

The forces causing displacement are complex and the proposed economic prescriptions vary substantially. For example, foreign competition appears to be a force to consider in estimating the future nature of the displacement problem, yet the impact is difficult to predict accurately. A case in point, the automotive industry has experienced a significant challenge from competition from Japan. However, the movement towards building Japanese auto plants in the United States, the reported commitment of Japan to become dominant in the advanced computer market, as well as certain changes in the American auto industry, may shift the problem focus of Japanese competition.

The nature and magnitude of the displaced worker problem will also be influenced by macroeconomic policy. If the major portion of any national effort to revitalize American industry is directed toward today's declining industries, the need for retraining and upgrading will be substantially different than if the major effort is towards assisting up-and-coming industries.

Regardless of the exact nature of the foreign competition or the specific national economic policy that is adopted, many firms will likely be either retooling or relocating to reduce labor costs during the coming decade. In order for industries to reduce the number of workers displaced, substantial retraining and

upgrading will be required. It is estimated, for example, that the introduction of technological innovations in textile manufacturing is likely to cause the loss of 300,000 relatively low-paying jobs by 1990 (Normans 1981).

The summative point is that the numbers of displaced workers and the respective industries from which they will be displaced are only partially predictable. However, it would appear that displacement is likely to be a continuous problem throughout the decade, that the industries most affected will vary over time and that the problems will affect states and regions differently. These considerations will have a significant impact on the determination of the most appropriate type of training response.

Turning to the historic involvement of the federal government, it can be said that the concern for the displaced worker is not a product of the 1980s. The federal government has a substantial history in this area. When Congress passed the Manpower Development and Training Act (MDTA) in 1962, it recognized that all workers could not successfully make major job transitions. Although the act was subsequently focused on the disadvantaged, it was originally a preventive job retraining program. During and since that time, adjustment programs have been included in the Trade Expansion Act of 1962 and its successor, the Trade Act of 1974. Such programs have more recently been included in the Redwood National Park Expansion Act of 1978. These efforts provide a rich information base for future federal policy decisions.

Implications

If the retraining of displaced workers were designated as a national priority for vocational education, a method for identifying the workers requiring assistance would be needed. In this regard, the Employment Service should play a key role. Vocational programs directed towards this effort should be coordinated with Employment Service efforts, as opposed to establishing new systems for identifying displaced workers.

In addition to addressing remedially the displacement problem, efforts in this area could also be directed towards preventive retraining and upgrading programs to help minimize anticipated displacement problems. These efforts might be particularly effective if they were sensitive to existing tuition-aid arrangements. The amount of resource commitment to these types of arrangements, in which the employer pays the costs of part-time education, is increasing. Yet, it would appear this resource is presently being under-utilized.

In developing an improved capacity for vocational education

to respond to the retraining and upgrading of displaced workers, two considerations appear particularly important:

Flexibility in programs. Both the content and delivery of vocational education programs need to be more flexible in order to respond to the needs of displaced workers. The length of the training must vary according to the needs of the industry and with the experience of the individuals involved; some training would be short-term and specific, while other efforts would be long-term and comprehensive. Since a large number of the displaced workers will be coming from routine skill, labor-intensive industries and many new positions will involve new technologies, retraining will likely require upgrading in occupational science and mathematics. The age and experience of the clients involved will also have to be considered when the programs are designed. Arrangements for open-entry and open-exit to programs and credit for related work experience may be appropriate. Other arrangements regarding the time of day, day of the week, or location of training will also be required depending on the ability of workers to attend training, especially if they are working other "survival" jobs in the interim.

Cooperative arrangements with business, industry and labor. Several considerations pertinent to the alleviation of the displaced worker problem require close cooperative efforts between vocational education and business/industry and labor. They include (1) the identification of the occupations which require an upgrading of worker skills; (2) the identification of the occupations for which workers can be retrained when displaced from their current occupations; and (3) the use of facilities, equipment and/or personnel to provide up-to-date training.

Many displaced workers will have held high paying positions, for example, positions in the automotive industry. If placement is to be maximized, some of these workers will have to be retrained for positions in different industries. In order to eliminate the placement problem, such programs could be conducted at the work site with the content designed specifically for the new job role. In general, if this retraining is to be effective, it should be directed towards higher level, better paying occupations.

Federal Considerations

The following section discusses a rationale for a federal role in this priority and provides additional information concerning federal involvement.

Rationale. The justification for using federal vocational education funds to retrain workers who lose their jobs because of

national or international economic trends rests on the inability of any one state to influence these trends. The trends are national in origin but affect states differently, depending on the nature of their economic activity and vulnerability to foreign competition. It therefore would seem to be an appropriate role of the federal government to ease the burden on the most severely affected states by providing extra funds to retrain displaced workers.

The potential economic benefits can also be cited as a federal reason for emphasizing retraining. Experienced workers typically need less emphasis on good work habits and attitudes than entry-level workers. They already have the general characteristics desired by employers. Consequently, training funds can be concentrated on the specific skill training for which labor market demand is demonstrated. When the trainees acquire the needed skills, the probability that they will obtain jobs and stay employed is greater than for individuals who have no employment history.

Additional considerations. If retraining of displaced workers were to be designated a national priority, two additional considerations are noteworthy:

- At any given time, not all states will be experiencing a displaced worker problem warranting federal intervention. In addition, because of the subnational nature of the problem, the specific circumstances will differ widely from region to region. An appropriate funding strategy would need to be sensitive to these considerations.

- Because the client group for this objective would be mainly adults, a federal emphasis in this area will tend to benefit postsecondary, more than secondary vocational education.

Hard-To-Employ Youth

A fourth possible national priority would be to encourage the expenditure of federal resources for improving the employability of hard-to-employ youth in the inner cities and depressed rural areas.

Background

Although many subpopulations, such as minorities and handicapped individuals, experience high rates of unemployment, the problem is particularly acute among youth. One-half of all unemployment in recent years has been accounted for by individuals aged sixteen to twenty-four. High rates of unemployment, however, are not experienced proportionately by all youth. The three groups that experience the most severe problems are school dropouts, youth from poor families, and minorities. Unemployment rates among black youth, for example, have grown from 16 percent to over 30 percent, whereas white youth unemployment has remained relatively constant at 13 percent. Hispanic youth have also experienced high unemployment rates. The youth unemployment among Hispanics stood at 16.4 percent in 1979, but the figures for certain subgroups, such as Puerto Rican youth, were much higher.

Whereas Hispanic and black youth comprised 19.7 percent of the youth population in 1979, they represented 29.4 percent of all unemployed youths (A Summary Report of the Vice President's Task Force on Youth Employment 1980). As the relative proportion of minority to white youth increases during th 1980s, the problem of youth unemployment is likely to become increasingly one of minority youth unemployment.

While it is generally recognized that serious youth unemployment problems exist, there is no consensus as to the magnitude of the problem, especially as it relates to hard-to-employ youth. It can be argued that youth unemployment rates do not adequately define or describe the hard-to-employ youth problem. For example, the observation that most youth experience some periods of unemployment while making the transition into the labor force would tend to lead to an overestimation of the problem. In addition, the methods used to collect employment data may contribute to an overstatement of the problem, as will the fact that unemployment rates for teenagers include in-school youth who are living at home, but are seeking part-time work. On the other hand, youth unemployment rates might understate the problem because many unemployed youth are no longer seeking employment and are not therefore counted in the unemployment figures. Moreover, in order to describe the true nature of the problem, it is important to recognize that a relatively small dispropor-

tionately black group exists which experiences long-term unemployment (Clark and Summers 1978). The dynamics of the youth unemployment problem are not adequately captured by employment statistics alone.

While the exact number of hard-to-employ youth can be debated, it is nevertheless known that many youth lack the skills, the job opportunities, or both, to become employed. The problem appears to be particularly acute in the inner-city and depressed rural areas. In the nation's cities a growing number of minority youth are competing for jobs within deteriorating urban markets (Adams and Mangum 1978). The high concentration of minority families in metropolitan poverty areas is well documented. What is not so well known is that 26 percent of the total black population resides in nonmetropolitan areas (outside of a Standard Metropolitan Statistical Area) (Fratoe 1980). Many of these individuals reside in rural depressed areas where occupational training and job opportunities are limited.

Although widespread recognition is extended to the existence of a hard-to-employ youth problem, arguments are provided that the problem at an individual level is solved simply by the aging process. Contrary to that view, it would appear that early unemployment among hard-to-employ youth cannot be dismissed as a transitory problem with no long-term adverse consequences. Analysis of the National Longitudinal Survey (NLS) data has established that a "hangover effect" exists for those who have unfavorable early labor market experiences, and that consequently, these individuals are less likely than others to have favorable subsequent work experiences (Adams and Mangum 1978). In addition, the odds against these individuals making a successful labor market transition are greatly increased if they are also from economically disadvantaged families.

To date the nation has made a significant investment in programs for hard-to-employ youth, but their employment problems continue to increase, and it appears unlikely that demographic trends will resolve the problem. Programs designed to increase the employability and transition to work of inner-city and rural youth from depressed areas will need to include several broad-based efforts. Activities designed to prevent youth from dropping out of school will have to be intensified. Periods spent out of the work force are not as bad if the individual is still in school, but an individual is at a distinct disadvantage regarding employability if the early teen years are spent both out of school and out of work (Adams and Mangum 1978). In-school instruction will need to be systematically related to work experience, and the basic educational and employability skills of youth will need to be improved. Ultimately, the prospect of employment must also exist in order to decrease the hard-to-employ youth problem.

Implications

An emphasis on increasing the employability of hard-to-employ youth in the inner city and depressed rural areas would have several positive consequences. The major positive consequences would relate to the potential social and economic gains to the individual and society at large achieved by removing youth from the rolls of the unemployed. An additional return could be achieved if the combined federal, state, and local efforts were substantial. A substantial effort could create an existing employable labor pool of sufficient size that it would assist in attracting business and industry back into the inner cities. If the concept of "economic zones" in the central cities is to be implemented, a sizable labor force of varying skill levels will be required, along with an increased local training capacity.

A federal emphasis in this area could also have unintended negative consequences. For example, if a cooperative-type training approach were given an increased emphasis, a reduction in the out-of-school youth and adult employment could result. Second, if federal resources were directed towards this priority, a significant percentage of the resources would likely be directed toward support-type services, leaving fewer dollars available for revitalizing the fundamental training capacity (e.g., equipment and teacher updating) of vocational education. Last, if the federal resources for the disadvantaged were targeted strictly to the inner cities and depressed rural areas, programs for disadvantaged clients in other areas would tend to suffer.

The education issues associated with this area are significant and even if the required educational and employment skills are provided, employment also depends on existing job opportunities, and in the inner-city and rural depressed areas the job supply is perpetually deficient. Although no definitive educational answers to solving the hard-to-employ youth problem exists, some specific strategies hold promise.

Keeping youth in school. At any moment, 2 million teenagers are unemployed, another 600,000 out-of-school youth are neither working nor looking for work, and 75 percent of teenage black youth who are out of school are jobless (Clark and Summers 1979). Many inner-city and depressed rural area youth are likely to drop out of school unless they are offered relevant and beneficial experiences. It would appear that students in general find vocational programs satisfying. Of the studies which deal with educational satisfaction, a vast majority indicate that a high percentage (80-90) of the vocational students were satisfied with their training (Mertens 1980). In the case of hard-to-employ youth, it would be particularly important that the programs be responsive to the special needs of these youth and not be focused on low level, dead-end jobs. The emphasis on keeping youth in

school does appear to pay off. This pay-off is reflected by the figures showing that high school graduate youth experience only one-half the unemployment of high school dropouts the same age (Mangum and Walsh 1980).

Improving employability skills. Both large and small employers consistently emphasize the need for basic employability skills (Youth Knowledge Development Report 2.15 1980). Employability appears to be first and foremost a function of attitudes, habits, deportment, and general intellectual and manipulative skills more than a function of specific occupational skills (Mangum and Walsh 1980). Examination of job content suggests that about one-third of jobs can be done by anyone with the equivalent of a standard high school education and reasonable manual dexterity. Another approximately one-third require some on-the-job training and the remainder require formal preentry training (Mangum and Walsh 1980). This implies that job training for hard-to-employ youth needs to emphasize basic employability skills and that meaningful institutional programs should be directed towards occupations that require formal preentry training. Effective programs should therefore include carefully defined training in work-coping skills, general technical skills, and appropriate work in the basic skills. Coping skills such as working with others, developing self-motivation, arriving at work on time, and working within an authority structure seem particularly important.

If vocational education is to address all components of the transition from school-to-work problem, it will be necessary to provide job search skills as well as job skills. Skills related to finding jobs are particularly important for inner-city and rural youth and, when accompanied by information on where to search or how to use contacts acquired via work experience, are of great value.

Improving work experience/career exploration programs. Since youth in general and hard-to-employ youth in particular experience serial unemployment in trying to match successfully their aptitudes and interests with the requirements of different jobs, the early opportunity to explore different careers appears to be beneficial. A potential strategy would be to increase the use of the vocational education delivery system in providing career exploration activities. Given the dropout data, it might be particularly useful to increase the opportunity for emphasis on career exploration in the junior high grades.

Programs that combine work experience with career exploration have shown more promise than either strategy alone for improving the employability of youth (Magnum and Walsh 1980). Although achieving a wider variety of work experience opportunities may not be possible in the depressed rural areas,

some possibilities do exist for the inner city case. Vocational education would need to form new types of arrangements with the existing business and industry community. In some cases, vocational programs would need to be coupled with job creation efforts. The present strategy of using targeted job tax credits needs to be assessed in order to identify what incentives, if any, encourage employers to place hard-to-employ youth. Consideration must also be given to the transportation needs of youth, as well as the support services they would require to function in a work setting.

Improving permanent employment opportunities. In order to improve the employability of hard-to-employ youth, training efforts must be coupled with increased access to permanent employment. When public sector activity is low or nonexistent, alternatives to public job creation are limited. One alternative, however, is to expand youth entrepreneurial programs that produce a marketable product in addition to providing training and work experience. Another alternative is to reduce job competition between youth and adults by reducing the minimum wage for youth. Obviously a number of pro and con arguments exist for the latter alternative.

It would appear, however, that any substantial gains in reducing unemployment will probably depend on improving the general economic condition of the area. As long as there is no improvement in the deteriorating infrastructure that has led business and industry to move out of the central city, the employment prospects for hard-to-employ youth will remain bleak. Any successful attempts to expand employment opportunities for hard-to-employ youth will require more effective cooperation among federal agencies, training service providers and employers. Industry, in particular, will have to be convinced that expanding employment opportunities for these youth is consistent within the context of a profit making enterprise.

Federal Considerations

The following section discusses a rationale for a federal role in this priority and provides additional information concerning federal involvement.

Rationale. The basis for a federal role in inner cities and depressed rural areas lies in the right of all persons to have "ready access to vocational training or retraining which is of high quality, which is realistic in the light of actual or anticipated opportunities for gainful employment, and which is suited to their needs, interests, and ability to benefit from such training." (P.L. 94-482, Sec. 101, Declaration of Purpose). Inner cities and depressed rural areas have particular problems in

providing such access. Both areas have high proportions of poverty populations and limited employment opportunities. This combination means that public funds are limited and there is intense competition for those funds that are available. Consequently, inner cities and depressed rural areas have the fewest training stations in proportion to potential students of any areas of the country.

Additional considerations. Additional considerations relative to designating this objective as a national priority include:

- Whether to employ some strategy that would involve a federally mandated matching requirement versus 100 percent federal funding is a frequently noted issue. In relation to the disadvantaged, some evidence from the implementation of the 1976 Vocational Education Amendments would indicate that the matching requirements, particularly relative to excess cost, may not be useful (Ruff 1981).

- If some type of effort related to the disadvantaged were to be designated as a national priority, then the degree to which the client population should be delimited is a substantive question. This discussion addressed a relatively high level of delimitation--only hard-to-employ youth in the inner city and depressed rural areas. Whatever the degree of targeting, the definition of the target population in the legislation should be definitive. On the other hand, maximum flexibility should be extended to the states on considerations related to funding and program design.

- If hard-to-employ youth in the inner city and depressed rural areas were designated a national priority, a majority of the monies would be directed towards the secondary component of vocational education.

- More substantial and pervasive linkages between CETA and vocational education would enhance the federal effort to address the hard-to-employ problem. In this regard, the compatibility of the CETA and vocational education regulations in relation to definitions, funding periods and reporting requirements needs to be addressed.

FUNDING STRATEGIES

If the judgment is made that there are national priorities that can be addressed by vocational education, the question becomes one of how best to influence state and local authorities to address those priorities. The federal government conducts very few education or training programs. Legislation must either encourage or require state and local authorities to conduct the kinds of programs judged to be in the national interest.

Most debate over federal funding focuses on the degree to which legislation should specify how and for whom funds should be spent. At one extreme is the block grant approach that delineates federal objectives in very broad terms and minimizes federal control. This approach assumes that state and local officials are more informed of the needs of their areas and better able to design and conduct programs suited to these areas than are federal officials. At the other extreme are strategies that involve specific targeting and prescriptive control requirements. The existence of national priorities that may receive less than adequate attention from state and local authorities is the major justification for these strategies.

There are advantages and disadvantages to the various approaches and legislators must weigh these in selecting the strategies that are most likely to further the national interest. This section discusses the advantages and disadvantages of the major funding strategies that have been or could be used in federal vocational education legislation. In this paper, three of these: block grants, percentage set-asides of the block grants, and a national incentive program, assume that the traditional policy of directing federal funds to a sole state agency will continue. Alternative methods of funding multiple recipients, including individuals, are also examined, as are the funding implications of limiting the federal role to program improvement.

Block Grant

A true block grant would be a sum of money allocated to a state for a particular purpose to be used in the way state officials deem most appropriate to that purpose. Most federal funding of vocational education has been in the form of modified block grants. They have been modified in the sense that the funds have been limited either to specific occupational areas, to selected types of programs (e.g., cooperative education), or through percentage set-asides. As an additional requirement the ways in which each state intends to use federal funds are described in a state plan that is subject to federal approval.

The major advantage of a true block grant is its sensitivity to the diversity of needs across states and to the variety of systems that exist for the delivery of public vocational education. Block grants maximize state flexibility to determine where and how federal funds are used. True block grants also minimize federal administrative burden on the states. If it is assumed that states know best how to spend federal funds, then there is no need for monitoring and compliance requirements.

The very advantages that maximize flexibility, however, make the block grant an ineffective method of ensuring that states respond to identified national priorities. To the degree a block grant is truly a block grant, it contains no mechanism to ensure attention is paid to national needs that are not coincidental with state needs. Because of this weakness, Congress has frequently specified that certain percentages of the basic state grant must be used for designated purposes. These percentages, usually referred to as "set-asides," are discussed next.

Set-Asides

Attached to the basic state grant in the present legislation (P.L. 94-482) are requirements that specified percentages shall be spent for selected purposes, for example: serving the disadvantaged (20 percent), the handicapped (10 percent), and those at the adult/postsecondary level (15 percent). If the state can develop the mechanisms for identifying the target groups and for ensuring the necessary matching funds, such requirements assure that federal funds will be spent on national priorities. In some states such mechanisms have not been totally established and it has been necessary for a few states to return to the federal government a portion of their set-aside dollars.

When federal funds are directed to a specific purpose, it is necessary to devise procedures to ensure that they are used for the intended purpose. The federal rules and regulations that have been adopted for set-asides are almost inevitably not compatible with some state procedures. As a result, the claim is often made that the federal regulations hinder the attainment of the objectives they are intended to foster. It would be desirable, of course, to have regulations that are compatible with procedures in all states, but given the variety of state systems, this is probably not attainable.

If the decision is made that a national priority is important enough to direct federal funds toward it, the legislation should specify the objectives sufficiently to focus state efforts. Of the four possible objectives discussed in this paper a set-aside strategy appears to hold most promise for hard-to-employ youth. As noted above, the present legislation already has a set-aside

for the disadvantaged. One problem with the existing legislation, however, is that the definition includes the academically as well as the economically disadvantaged. The inclusion of the academically disadvantaged makes the vocational education legislation somewhat incompatible with other legislation and tends to spread widely a limited amount of money.

The option proposed in this paper would focus not only on the economically disadvantaged but also on those in defined geographic areas. To direct funds to these specific individuals it would be necessary to adopt a definition of the economic disadvantaged and a definition of geographic areas. It is important that such definitions be based on data tnat are available to educational planners. One such definition reflecting these criteria for inner-city youth would be young people in schools that serve census tracts where the median family income, as determined by the 1980 Census, is a specified percentage of the median family income in the state. A similar definition would be applicable to depressed rural areas by using county income data, which are also readily available. An alternative measure of the proportion of disadvantaged in defined geographic areas could be the percentage of families in poverty status, which is also reported by the Bureau of the Census for census tracts and counties.

These definitions would not be dependent on identifying individuals from disadvantaged families. They would simply direct funds to schools where large proportions of the students are from disadvantaged backgrounds. Such an approach would minimize the need for extensive record keeping to prove that federal funds were spent on their intended recipients.

One problem with such definitions, however, is that they exclude hard-to-employ young people who do not live in the designated areas. The proposed approach represents a compromise between minimizing administrative complexity and ensuring access to services for all who need them.

National Incentives

Since this alternative has no direct equivalent in the 1976 Amendments, an initial description is warranted. A set of objectives would be delineated in the federal legislation as legitimate purposes for which federal dollars could be expended. In addition, a subset of those objectives would be designated as national priorities. The state agency would have the option to use its federal monies for any of the specific objectives; however, an incentive would be provided to encourage the states to direct their federal resources toward the objectives selected as national priorities.

The incentive would be in the form of a specified amount of vocational education funds reserved at the national level and available via competitive bidding to those states which elected to commit federal funds to a national priority effort. For example, if retraining for displaced workers were selected as a national priority and a state elected to commit $300,000 of its federal dollars toward a specific project related to that objective, it could submit a proposal to the federal government for additional federal funds. A limit on the percentage of additional monies should be set--for example, 50 percent or in the present example $150,000 of additional monies. The pool of national priority funds could be created so that a specified amount would be available for each of the national priorities or an overall pool could be created for the national priorities taken collectively.

This strategy is based on the premise that financial incentives, as opposed to prescriptive approaches such as mandated set-asides, are more effective for achieving national priorities. The major advantage of the strategy is that it tends to maximize the opportunity for states to address national priorities in a fashion that is compatible with state needs. Moreover, it provides a financial incentive to encourage states to address the national priorities. Ultimately, the approach has the potential for states to develop a greater commitment to the pursuit of the designated national priorities.

The increased flexibility this strategy offers could be not only its major advantage, but also the major difficulty. The approach does not ensure that the federal dollars in the basic state grant will be directed toward the national priorities. Furthermore, the opportunity to acquire additional federal funds may not function as an effective incentive for those states where the designated national priorities are of relatively low importance.

The national incentive approach could be used equally effectively with all four priorities presented in this paper or with most other objectives that could be selected as national priorities. Moreover, the strategy seems particularly compatible for coupling with various types of tax incentives to private employers. Because of the importance of tax incentives, a further discussion is warranted.

Since costs of formal training conducted by private employers are already deductible as normal business expenses, tax incentives would probably have to take the form of tax credits, which reduce total taxes owed. Under the current Targeted Jobs Tax Credit Program, employers can, for example, deduct a stated percentage of the wages paid to a student hired under a formal cooperative educational agreement. This approach could be extended to other aspects of employer-education interchange such as allowing a special tax credit for state-of-the-art equipment

donated to educational institutions or for a percentage of the wages paid to teaching personnel who are hired for the summer to become updated on new technologies. There are a number of such interchanges that could be encouraged through tax credits.

Tax credits to employers could be linked to the previously described reserved fund for national priorities. A small portion of that fund could be set aside as "bonus dollars" for state agencies that provide the leadership in having industries commit their training resources toward federal priorities. For example, if a 1 percent bonus were established, a state agency would receive $10,000 for each $1,000,000 of industrial commitment. The $10,000 would then have to be directed toward an effort related to the national priorities.

Of course, any incentives involving tax credits would require that the legislation be considered by additional committees of Congress. This could well prolong the legislative process. Nevertheless, if the often-cited objective of closer collaboration between vocational educators and employers is to be truly achieved, incentives of this sort will probably be needed.

Additional Strategies

The three strategies discussed above are approaches that could be used for directing federal dollars through state agencies towards national priorities; they differ only as to the methods and degree of targeting that are employed. The two strategies presented in this section, however, are founded on a slightly different basis. The first alternative is based on the notion of direct funding. This represents a significant departure from previous federal vocational legislation. The second alternative is based on the concept of directing greater federal emphasis towards program improvement, as opposed to program maintenance efforts. The latter does not so much deal with funding strategy, as it does with the general purposes for which federal dollars should be used.

Multiple Agencies or Clients

The other funding strategies discussed in the paper have assumed the continuation of the legislative history of designating a sole state agency as the recipient of federal dollars. Alternative funding distribution strategies have been proposed, however, which to varying degrees deviate from that traditional designation.

A frequently noted departure from the sole state agency approach involves designating more than one institutional recipient within a state as eligible to receive federal funds. This notion is most frequently discussed in terms of the secondary-postsecondary issue. More significantly, departures have also been posed such as direct funding of vocational dollars to the individual consumer through some type of voucher approach.

The arguments for direct funding are based on the judgment that the present system is unresponsive to the objectives of federal legislation. The sole state agency, it is claimed, is a branch of the state educational bureaucracy with all the inertia and vested interests that this entails. Critics contend that it matters relatively little what federal legislation says, because state officials find ways to do what they want to do. Funding multiple agencies would, in the view of these critics, loosen this control and direct funds to agencies which would be more responsive to changing needs of society.

Proposals for direct funding to clients go even further and attempt to bring the forces of the free market into vocational education. Proponents of this approach believe that when potential students are provided with the means to purchase their own training they will seek out the most effective providers. These institutions may be either public or private, but they will be sought out and selected only to the extent that they meet the market test of being the best product for the price.

Whether the advantages claimed for these alternative approaches would in actuality be realized is debatable, but they unquestionably go counter to the need for coordination and linkage of what is already seen by many as an overly fragmented system of delivering vocational services. In the public sector alone, there are secondary, postsecondary, and CETA programs, most of which are administered by separate agencies resulting in coordination and duplication problems. Added to these are apprenticeship programs, proprietary institutions, and the training conducted by private employers. Funding multiple agencies, whatever its advantages in increasing responsiveness, is likely to make coordination more difficult.

Any approach that involves direct funding to individuals would entail much greater investment by the federal government. In fiscal year 1979, federal expenditures under the Vocational Education Act were $551 million. At a minimum voucher level of $1,000 per student this amount would provide training for 551,000 students, in comparison to the 17.3 million students who were enrolled in courses receiving some federal aid. It seems unlikely that the federal government is willing to assume a far larger share of the costs of educating these 17 million students or to require the states to offer vouchers.

Program Improvement

As noted above, limiting the use of federal funds to program improvement is not a funding strategy so much as a definition of purpose. The 1976 Amendments state that federal resources should be used only "where necessary" for maintenance of programs. An alternative strategy would be to limit federal dollars to program improvement and exclude program maintenance efforts.

In this context, program improvement entails the creation of new programs or the substantial updating of existing programs to address inadequacies in personnel, curriculum, or equipment. It would encompass activities such as purchasing new equipment, building new or modifying old facilities, training or retraining staff and providing relevant research and development. This would constitute an expanded definition compared to the specific part of the 1976 Amendments labeled "program improvement". What it would not include would be the payment of teacher salaries or the buying of new equipment for outmoded programs.

The major advantage of the strategy would be that it maximizes the federal leadership role to bring about change and innovation. It addresses the problem that state-of-the-art equipment cost coupled with instructor retraining cost, plus the required research and development makes a major revitalization of vocational education in many states unlikely.

This approach also entails several difficulties. First, it could decrease the flexibility for states to combine all of their resources in the most effective way. In addition, it makes it difficult to develop legislative language which is specific enough to achieve the intent, yet flexible enough so that states can undertake appropriate efforts. The intent is not to mandate what individual states must do in the area of program improvement, but to define activities that constitute program improvement and allow states to do what is appropriate. Last, and perhaps most important, this strategy in its pure form does not provide a viable opportunity for the federal government to designate specific national priorities.

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